

FAQ's

Lockheed Martin Remedial Action Plan Addendum Tallevast, FL March 3, 2010

What is the Remedial Action Plan Addendum?

The Remedial Action Plan Addendum (RAPA) is a document that describes Lockheed Martin's commitment and plan for cleaning up contamination associated with the former Loral American Beryllium Company (ABC) site in Tallevast, Florida.

The Florida Department of Environmental Protection (FDEP) requires that the responsible party for the cleanup prepare a plan based on data from soil and groundwater testing that was conducted during the site assessment. Based on this data, the RAPA lays out a remedial plan for cleaning up the contamination using the best available technologies. The RAPA submitted by Lockheed Martin complies with the FDEP regulations regarding the cleanup of groundwater and soil contamination.

Lockheed Martin submitted the Remedial Action Plan Addendum (RAPA) Addendum to the FDEP in July 2009. Construction will not begin on the new remediation system until the RAP Addendum is approved by the FDEP.

Has Lockheed Martin considered relocation for residents?

Lockheed Martin Corporation carefully considered the possibility of relocation for residents. A decision not to offer community-wide relocation was announced in October 2009 after a series of detailed meetings with community representatives and careful consideration by Lockheed Martin's senior management. The decision was based on the corporation's commitment to restore the environmental conditions in the Tallevast community and the fact that relocation would be inconsistent with that commitment.

Extensive environmental testing in Tallevast shows there is no risk of exposure to contaminants related to the former ABC site. With the elimination of water wells in the area of groundwater contamination, the regulatory agencies have found, and Lockheed Martin agrees, there is simply no pathway for the community to be exposed to this contamination in a way that creates any credible human health risk. Soil sampling and air monitoring have also verified these findings.

Although Lockheed Martin did not create the groundwater contamination at the former Loral American Beryllium Co. (ABC), the corporation has undertaken an unequivocal

commitment to restore the environmental conditions in the Tallevast community by working closely with the Florida Department of Environmental Protection (FDEP). Lockheed Martin believes that full restoration is achievable.

Can you summarize how the RAPA treatment will take place?

The contamination will be addressed with a new, state-of-the-art groundwater treatment system and through onsite institutional and engineering controls. Institutional and engineering controls are commonly used throughout Florida for sites undergoing remediation and include deed restrictions limiting future use of the property (e.g., no residential development), appropriate soil management plans, and fencing. The new system will use the same groundwater pump and treat process as the previously proposed system, but it includes greater operating efficiencies and state-of-the-art, triple redundant, fail-safe mechanisms. The new system will be capable of processing up to 300 gallons per minute. The proposed system will include four extraction trenches (covered horizontal wells) and 77 extraction wells to capture the groundwater plume. In addition, the groundwater will be pumped from the areas of heaviest contamination and treated onsite instead of using an in-situ treatment technology.

How long will it take to build the new treatment system?

The proposed schedule is provided in the RAP Addendum. Construction will be complete and the system operational approximately 26 months after FDEP approval of the RAP Addendum.

Are you going to temporarily relocate residents when you do the RAPA construction work?

All work performed by Lockheed Martin is done in such a manner that ensures the safety of both the workers and the community and is in compliance with all federal, state and local requirements. Over the last 18 months, all air monitoring data established a baseline showing no impact to air quality from the construction and operation of the on-site treatment system. Lockheed Martin believes it is not necessary to relocate the community during any work done on the project because there are no data that indicate a risk to human health from construction activities on the site. Lockheed Martin will continue to employ all safety measures to ensure the safety of the community.

How long will it take to clean up the contamination?

These types of cleanups in Florida and elsewhere in the country take decades. Our design provides for significant contaminant mass removal in the first five years of system operation. We are estimating the plume will be totally cleaned up to State standards in 48 years. We will be “attacking” the highest concentrations of the plume

and reducing the mass as quickly as possible. It takes longer to remove the low concentrations out of the groundwater.

Has there been a change in the plume area in the remedial plan?

No significant changes to the plume have occurred. Per state regulation, Lockheed Martin developed the RAP Addendum using the results from the 2009 annual sampling event, which was completed in March 2009. Lockheed Martin re-evaluated its treatment system design based on the updated groundwater monitoring event, and determined that significant changes were not needed.

What are the locations for the trenches and extraction wells?

Optimal locations have been determined through groundwater modeling to maximize the effectiveness of the treatment system while minimizing the impact to the community. A map in the RAP Addendum provides the recommended locations for the trenches and extraction wells.

Have the property owners agreed to let you put the trenches and wells on their property?

Lockheed Martin has resolved the majority of private property access issues and is currently engaged with property owners to finalize the details for access to the remaining properties. As mentioned previously, optimal locations have been determined through groundwater modeling to maximize the effectiveness of the treatment system while minimizing the impact to the community. A map in the RAP Addendum provides the recommended locations.

What assurances will you give the community that the treatment system will be safe?

Lockheed Martin is committed to ensuring the safe operations of the treatment system – and all activities associated with the cleanup. A team of experts came together to review the treatment plant design and operations and recommended enhancements to ensure the safe operation of the system.

The plant is being designed with triple redundant systems, will have an enhanced containment system, and will be staffed 24 hours a day, seven days a week. We will also be providing enhanced training and skill development to ensure the safe operations of the treatment plant. We are ensuring the correct operational procedures, the right human resources, appropriate safety and operations inspections, and a “no mistakes” attitude are in place at all times.

How do you respond to residents' continued concerns about the release of contaminants, dust and noise?

Lockheed Martin is committed to partnering with the community and addressing their concerns related to our remedial activities. Since late 2007, the community's independent consultant has been conducting air monitoring at the site and around the site's perimeter, to ensure community safety. There have been no air quality exceedences for site-related contaminants of concern. In addition, we have implemented noise and dust abatement measures and we will continue to do so for the RAPA construction.

How much will this remediation cost?

Lockheed Martin is committed to investing in the environmental needs of the Tallevast community and this cleanup is not about the cost, it's about implementing the right solution.

How much have you spent on the cleanup so far?

To date, Lockheed Martin has spent more than \$35 million.

How has Lockheed Martin demonstrated its commitment to Tallevast and surrounding communities?

- Providing funding for independent environmental monitoring and technical consultants hired by Family Oriented Community United Strong (FOCUS), a community group in Tallevast. The Corporation meets weekly with the technical consultants and responds to all technical requests. Lockheed Martin performed more than \$3 million of voluntary air monitoring and sampling at the community's request.
- Engaging the community by consulting with FOCUS and technical experts in the development of remedial action plans; adding scope to the remedial work to accommodate community concerns; producing a weekly activity report; maintaining action item lists; and providing 72-hour notification for all work performed.
- Funding a Property Value Protection Program that is run by an independent real estate company and ensures that homeowners receive a fair market price if their home sells for less than fair market value.
- Providing funding to residents by paying homeowners \$10,000 for the closure of their wells, providing permanent water connections for residents, replacing plumbing in residents' homes, coordinating with property owners and attorneys, and compensating for access to private property.

- Easing residents' concerns by adjusting work hours to accommodate community concerns, and allowing access to the site for anyone who wants to see work.
- Offering a Medical Evaluation Program that is administered independently from the Corporation and provides free health evaluations for current and former Tallevast residents.
- Enhancing residents' understanding of the cleanup by providing accurate and timely information on a Lockheed Martin Web site called "Tallevast.info," providing computer access at the FOCUS office, and holding regular meetings with FOCUS and residents.
- Making donations to the community, including an offer of \$75,000 toward an environmentally friendly project of the community's choice. In December 2008, Lockheed Martin donated \$10,000 to the Tallevast Community Center.
- Providing both funding and volunteer hours to enhance education in the community. This has included:
 - an annual \$100,000 donation to the Manatee County School District for science education for the past four years. Twenty percent of this donation goes specifically to the two local elementary schools that directly support the Tallevast community.
 - reaching about 1,000 local children each year with its interactive, educational Space Day event. The Corporation also provides volunteer support for a wide range of activities, including Technology Student Association activities, science fairs, mentoring programs and presentations in local schools.

What is the history of the property?

The former ABC facility was operated by Loral Metals Technology as an ultra-precision machine parts manufacturing plant from 1961 to 1996. There, metals were milled, lathed and drilled into various components. Some of the components were finished by electroplating, anodizing and ultrasonic cleaning.

Lockheed Martin assumed ownership of the property in 1996 when it acquired Loral Corporation. Lockheed Martin stopped operations at the facility in late 1996, and in 2000, sold the facility. The new owner leased the facility to other companies until June 2007, then leased to Lockheed Martin for two years. Lockheed Martin repurchased the property in June 2009.

Why did Lockheed Martin take responsibility for the cleanup?

Lockheed Martin acquired all environmental liability with the acquisition of the Loral Corporation in 1996.

What contaminants were discovered?

Contaminants found in soils at the facility included petroleum products, chlorinated compounds and a variety of metals. Groundwater contaminants included a variety of chlorinated compounds. A complete list of the compounds is provided in the RAPA.

Are Tallevast residents at risk from the contaminants from the former ABC site?

Potential pathways have been carefully examined, and no credible routes for exposure have been identified.

What did Lockheed Martin do to minimize health risks?

Lockheed Martin closed and abandoned private drinking water wells and performed interim soil removal actions to eliminate the potential for human exposure to site-related contaminants.

To verify the safety of residents during remediation activities, Lockheed Martin provided funding for the community's technical consultant to conduct air monitoring.

How did Lockheed Martin determine the scope of the contamination?

Lockheed Martin conducted extensive investigations, collected significant design data, and gathered input from the FDEP and the community's independent technical experts.

Lockheed Martin collected soil samples from more than 1,400 boring locations and groundwater samples from more than 275 monitoring and 11 extraction wells.

The Corporation also developed a detailed, three-dimensional groundwater model that was used to predict whether the remediation would be effective and how long it would take to complete the cleanup.

The results of the computer modeling helped the experts determine the most effective placement of extraction points and the best means to control the spread of contamination and remove the contaminants.

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